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MORNINGAGRICULTURE

BY LIZ CRAMPTON

Presented by Farm Credit

With help from Helena Bottemiller Evich and Ryan McCrimmon

Message

From: POLITICO Pro's Morning

Agriculture

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Sent: 7/19/2019 9:47:47 AM

To: Dunn, Alexandra

[dunn.alexandra@epa.gov]

Subject:EPA keeps chlorpyrifos on fields, for now — USDA sticks to its

guns on research controversies

— Russia, China look to expand

soybean trade

QUICK FIX

- The EPA decided not to ban chlorpyrifos, marking the latest chapter in a decadeslong effort by environmental groups to compel the federal government to prohibit the pesticide that some science shows causes neurological damage to children.
- USDA is not backing down despite intense criticism from Democrats on Capitol Hill, who believe that the administration is weakening and undermining science at the department.
- Russia and China are looking to expand their soybean trade **relations** in the face of dropping U.S. soybean exports to China.

A message from Farm Credit:

700+ farmers and ranchers will travel to Washington July 23-24. Farm families, including pecan farmers in Texas, cattle ranchers in North Carolina and rice farmers in California, will meet with Congress to share how Farm Credit is fulfilling its mission to support rural communities and agriculture. <u>Learn more</u>

HAPPY FRIDAY, JULY 19! Welcome to Morning Ag, where your host is distressed by the new "Cats" movie <u>trailer</u>. Send tips to <u>lcrampton@politico.com</u> and @liz_crampton, and follow us <u>@Morning_Ag</u>.

DRIVING THE DAY

EPA KEEPS CHLORPYRIFOS ON FIELDS, FOR NOW: The agency announced Thursday that farmers can continue to use chlorpyrifos, rejecting a request from environmental groups to ban the pesticide that research has linked to causing brain damage to children, <u>your host reports</u>.

After reviewing a petition by the organizations, EPA determined the scientific evidence isn't strong enough to justify removing the pesticide, which is developed by Corteva, from the market.

"For more than 50 crops, chlorpyrifos is the only line of defense and a cost-effective crop protection tool for farmers," Agriculture Secretary Sonny Perdue tweeted Thursday. "We appreciate the @EPA's support of American farmers and producers in its commitment to fact-based regulatory oversight of crop protection tools."

Speeding up review: An EPA spokesperson said the issues environmental groups raised will be addressed through the agency's review of chlorpyrifos' registration, which will be expedited "in response to requests from the public." That review "should be completed well before the 2022 statutory deadline."

The groups behind the court order blasted Thursday's announcement.

"By allowing chlorpyrifos to stay in our fruits and vegetables, [President Donald] Trump's EPA is breaking the law and neglecting the overwhelming scientific evidence that this pesticide harms children's brains," said Patti Goldman, an attorney for Earthjustice.

What's next? If environmentalists continue their push, which is all but certain, the dispute is bound to end up back in court. EPA will

likely need to explain again why it doesn't believe the scientific evidence for banning chlorpyrifos is valid.

USDA STICKS TO ITS GUNS ON RESEARCH CONTROVERSIES:

Scott Hutchins, USDA's deputy undersecretary for research, education, and economics, defended the Trump administration's approach to agricultural research amid harsh criticism from Democrats on the Senate Agriculture Committee on Thursday.

Several attacked the department for abruptly moving the Economic Research Service and the National Institute of Food and Agriculture — which is expected to result in mass attrition — and for not publicly promoting its own scientific findings and work on climate change.

USDA's secret climate science plan: After POLITICO reported Thursday that USDA officials had suppressed a sweeping plan for studying and responding to climate change, Hutchins told the committee the department never intended to make the report public, but added he had "no problem" with it being released.

Several USDA agencies contributed to the 33-page, multiyear plan, which outlines how the department should help agriculture understand, adapt to and minimize the effects of climate change. It acknowledges climate change is already affecting farmers and ranchers as well as forests.

Wanting it both ways on climate: Hutchins dodged specific questions from Senate Agriculture ranking member Debbie Stabenow about USDA's public communication of its climate work, but insisted the research is ongoing.

"The climate work... is expansive and robust," Hutchins said. He correctly noted that hundreds of climate-related studies have been published by USDA scientists in scientific journals — something that hasn't been in dispute.

However, USDA has largely stopped publicly acknowledging this work in press releases, blog posts, social media and other platforms. Brush up on Helena Bottemiller Evich's <u>deep dive</u> on climate science studies being buried at USDA.

Pros: Read a transcript of the hearing.

ERS UNION NEGOTIATIONS KICK OFF: Agriculture Department officials and labor representatives today will start negotiating with the ERS union. Union leaders, who are opposed to moving the agency to Kansas City, are attempting to win some benefits for employees that either plan to relocate or decline to move.

The talks start off with USDA having already <u>rejected</u> all of the union's requests. The American Federation of Government Employees, which is representing ERS along with NIFA, last month asked for 11 specific demands related to the relocation, such as permitting employees to telework for one year or having USDA pay for certain relocation costs.

JOIN US IN THE NEWSROOM! WE'RE HOSTING AN EVENT ON DIVERSITY IN JOURNALISM & AG: POLITICO and Minorities in Agriculture, Natural Resources and Related Sciences are teaming up for a unique event next week on how the fields of journalism and agriculture are trying to make their workforces more diverse and inclusive.

The details: The event is at 6:30 p.m. on July 25 in our Rosslyn, Va., newsroom. We'll kick off with a panel discussion followed by a reception. Light refreshments will be served.

A conversation with journalists & ag pros: Our speakers include POLITICO reporters and business leaders Eugene Daniels (Video), Sabrina Rodriguez (Pro Trade) and Terrell Mizell (Talent acquisition) as well as Karl Binns, lead development officer for the School of Agricultural and Natural Sciences at the University of Maryland Eastern Shore (MANRRS president), and Alexis Doon, a student studying agriculture with a pre-veterinary medicine concentration at UMES (MANRRS regional undergraduate vice president).

RSVP and get more details.

American energy is being reinvented in many ways. Learn about the benefits, costs, and impacts of mass electrification in America. What are the policy and regulatory concerns are that need to be addressed? Join POLITICO on Thursday, July 25th at 8:00 AM to find out. RSVP.

TRADE CORNER

RUSSIA, CHINA LOOK TO EXPAND SOYBEAN TRADE: As U.S.

soybean exports to China have plummeted amid the trade war, Beijing has turned to other countries to fill its demand and diversify its supply chain. Now China and Russia are looking to "deepen trade in soybeans and other agricultural products," according to Chinese Commerce Minister Zhong Shan, reports the South China Morning Post, a POLITICO partner.

Presidents Xi Jinping and Vladimir Putin <u>last month agreed</u> to increase their bilateral trade from \$107 billion in 2018 to \$200 billion a year. The closer agricultural ties come as both China and Russia are facing significant tension with the U.S.

But, but: It's unlikely Russia will be able to replace U.S. soybeans in the long run, said He Yuxin, a soybean analyst at Sublime China Information in Shandong.

Tele-trade talks: Trump's top negotiators held a phone call with Chinese trade officials for the second time since Trump and Xi agreed to a ceasefire last month. Treasury Secretary Steven Mnuchin has said that he and U.S. Trade Representative Robert Lighthizer could travel to Beijing for in-person talks if their chat this week was productive. Pro Trade's Doug Palmer has more.



ROW CROPS

- Trump named Glen Smith as chairman and CEO of the Farm Credit Administration. Former Chairman Dallas Tonsager died in office in May.
- The House on Thursday passed <u>legislation</u> to gradually raise the federal minimum wage to \$15 per hour. <u>More from POLITICO's</u> Sarah Ferris.
- Mnuchin vaguely revealed the Trump administration and congressional leaders have reached an agreement on overall spending levels in a two-year deal to raise budget caps, along with a debt limit increase. Pro Budget's Caitlin Emma has more.
- China made its biggest purchase of U.S. sorghum since April last week, according to USDA data. Reuters has the details.
- Tyson Foods was sued for alleged false advertising by making claims that its products are raised sustainably and humanely. The suit was filed by Food & Water Watch and the Organic Consumers Association. Farm Journal's AgWeb has more.
- Norwegian fish farmers could be using remote-controlled pens as soon as 2020 to monitor and feed fish <u>corralled</u> in the open ocean.

TECHNOLOGICAL DISRUPTION - WHO WILL WRITE THE

RULES? Chapter two of POLITICO's Global Translations" podcast, presented by Citi, is now live. Explore the emergence of 5G technology with host Luiza Savage, understand its role as the foundation for the future of artificial intelligence, and learn who will write the rules in the race to dominate technological advancement. <u>Listen Now.</u>

ON THE CALENDAR

8 a.m. USDA's <u>meeting</u> of the National Agricultural Research, Extension, Education and Economics Advisory Board concludes on Friday. Darcy Hotel, 1515 Rhode Island Ave. NW.

10:30 a.m. (CT) The House Small Business Committee holds a <u>field</u>
<u>hearing</u> on "Flooded Out: Vanishing Environmental
Reviews and the SBA's Disaster Loan Program."
Wheeling Village Hall, 2 Community Blvd.,
Wheeling, Ill.

Send any calendar items to agcalendar@politico.com.

THAT'S ALL FOR MA! Drop us a line: cboudreau@politico.com; rmccrimmon@politico.com; hbottemiller@politico.com; lecampton@politico.com; jlauinger@politico.com; and pjoshi@politico.com.

A message from Farm Credit:

More than 700 farmers and ranchers will travel to Washington on July 23-24. These Farm Credit customers will meet with members of Congress to share how Farm Credit is fulfilling its mission to support rural communities and agriculture.

Farm families range from pecan farmers in Texas to cattle ranchers in

North in Carolina to rice farmers in California.

They will update lawmakers on the farm economy and how producers are faring. The sustained period of low commodity prices and multiple severe weather events across the country have challenged many farm operations.

Throughout these challenging times, Farm Credit institutions have been working with each customer individually.

As a dedicated farm lender, Farm Credit understands the challenges facing producers today. We have been supporting rural communities and agriculture for more than 100 years, and we will continue to be there for our customers in the years to come. <u>Learn more</u>

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